



SEE THE ADVANTAGE > **FACTSET**

FactSet Earnings Call
Fourth Quarter Fiscal 2021

September 28, 2021

Forward-Looking Statements and Non-GAAP Measures

This presentation may contain forward looking statements reflecting management's current expectations based on currently available information. Actual results may differ materially from what is expressed or forecast in such forward-looking statements. More information about factors that could affect FactSet's business and financial results are in FactSet's filings with the SEC, including its most recent 8-K, 10-K and 10-Q. FactSet undertakes no obligation to publicly update any forward-looking statements as a result of new information, future events, or otherwise.

In addition, this presentation and oral statements made in connection with this presentation reference non-GAAP financial measures, such as ASV, organic revenue, adjusted revenue, adjusted operating metrics, adjusted diluted EPS and free cash flow. The use of these non-GAAP measures are limited as they include and/or do not include certain items not included and/or included in the most directly comparable GAAP measure. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures is provided in the appendix to this presentation and in FactSet's earnings release issued on September 28, 2021, which are posted on factset.com under the Investor Relations section.

Agenda

- 01 Welcome / Introductions
- 02 Business Update
- 03 Financial Overview
- 04 Questions and Answers
- 05 Appendix



SEE THE ADVANTAGE › **FACTSET**

Business Update

2021 Accomplishments

↑ 41

years of consecutive revenue growth

↑ 25

years of consecutive adjusted diluted EPS growth

25

years of being a publicly listed company

Q4

highest reported quarterly ASV in the history of the company

↑ 14%

Year over year workstation growth

↑ 22

years of consecutive dividend growth

6¹

years of consecutive listing on the HRC corporate equality index



ESG

Joined UN Global Compact and PRI; committed to becoming MLT Black Equity at Work certified; published global diversity figures



Won numerous awards

Won 30+ across multiple workflows, from research and wealth to risk and trading, including best overall data or service provider 2021 from Waters Technology



M&A

Acquired companies that enhance our ESG and Deep Sector content + Analytics technology



Cloud Integration

Increased offerings on cloud-based platforms, including Snowflake, Microsoft, and AWS



Digital Engagement

Trained a record number of new banking hires – all virtually

¹ Human Rights Campaign Corporate Equality Index is the national benchmarking tool on corporate policies, practices and benefits pertinent to lesbian, gay, bisexual, transgender and queer employees.

Key Metrics¹ - Fourth Quarter 2021

7.2%

ORGANIC ASV² +
PROFESSIONAL
SERVICES

*Driven by higher sales
from Research and
CTS*



31.6%

ADJUSTED
OPERATING
MARGIN

*150 basis points
lower YoY due to higher
compensation*



\$2.88

ADJUSTED
DILUTED
EPS

*Flat YoY due to higher
revenue offset by
higher expenses and
tax rate*

¹ Please see Appendix for a reconciliation of these non-GAAP metrics to GAAP metrics.

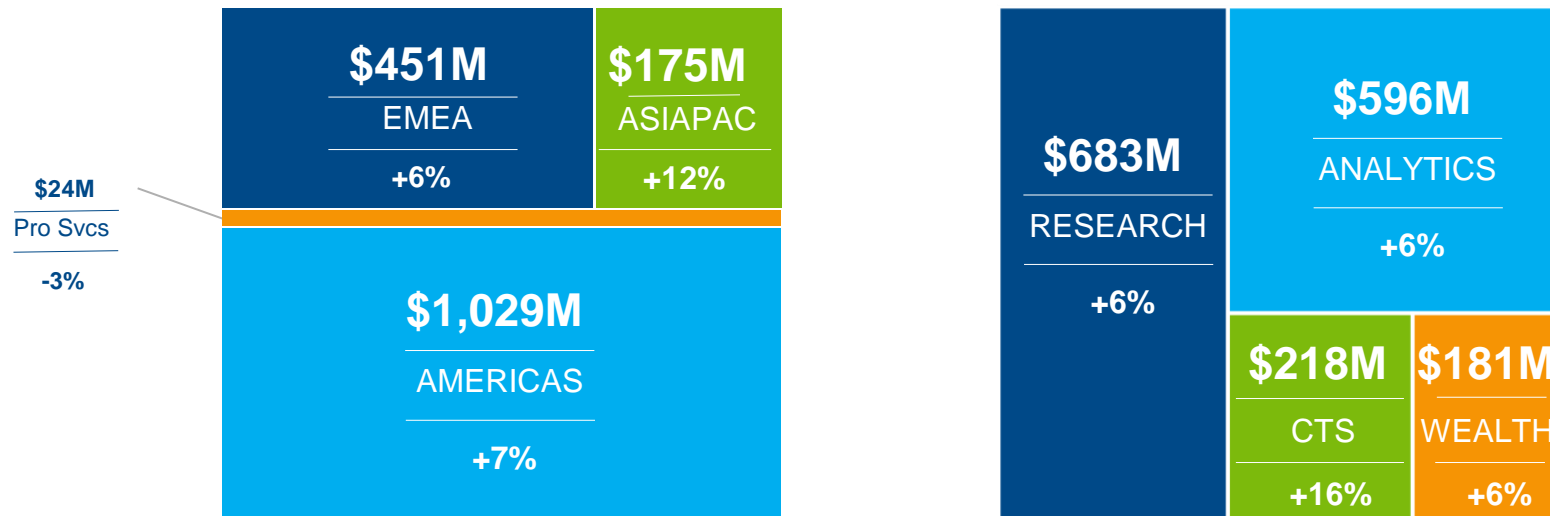
² Annual Subscription Value (ASV) at any given point in time represents the forward-looking revenues for the next twelve months from all subscription services currently supplied to clients and excludes professional services fees billed in the last 12 months, which are not subscription-based. Organic ASV excludes the effects of acquisitions, dispositions and foreign currency. Professional services are revenues derived from project-based consulting and implementation.

ASV + Professional Services Growth Rates* – By Global Segments & Businesses

\$1.68B

Organic ASV + Professional Services

+7%










* LTM Organic ASV Growth Rate is based on last twelve months as of August 31, 2021

SEE THE ADVANTAGE › **FACTSET**

Financial Overview

Fiscal 2021 Results versus Guidance

	FY 2021 Guidance ¹	FY 2021 Results
Organic ASV Growth Rate	\$85m - \$95m	\$112.1m 
GAAP Revenues	\$1.570b - \$1.585b	\$1.591b 
GAAP Operating Margin	29.5% - 30.5%	29.8% 
Adjusted Operating Margin ²	32.0% - 33.0%	32.5% 
Annual Effective Tax Rate ³	15.0% - 16.5%	14.5% 
GAAP Diluted EPS	\$10.05 - \$10.45	\$10.36 
Adjusted Diluted EPS ²	\$10.75 - \$11.15	\$11.20 

¹ Latest annual guidance as of June 29th, 2021.

² Please see Appendix for a reconciliation of these non-GAAP metrics to GAAP metrics.

³ Guidance for annual effective tax rate provided for fiscal 2021 did not include any one-time expense or benefit items but included an estimate for stock-based compensation tax benefits.

Fourth Quarter 2021 Financial Results*

(in thousands, except per share data)

7.4%

GAAP

Revenues

8/31/21 \$411,894

8/31/20 \$383,590

6.7%

Organic

Revenues

8/31/21 \$410,133

8/31/20 \$384,209

20.9%

GAAP

**Operating
Income**

8/31/21 \$119,176

8/31/20 \$98,577

2.4%

Adjusted

**Operating
Income¹**

8/31/21 \$130,384

8/31/20 \$127,379

320bps

GAAP

**Operating
Margin**

8/31/21 28.9%

8/31/20 25.7%

150bps

Adjusted

**Operating
Margin¹**

8/31/21 31.6%

8/31/20 33.2%

13.5%

**GAAP Net
Income**

8/31/21 \$101,062

8/31/20 \$89,079

1.0%

Adjusted

Net Income¹

8/31/21 \$110,874

8/31/20 \$112,034

14.8%

GAAP

Diluted EPS

8/31/21 \$2.63

8/31/20 \$2.29

0%

Adjusted

Diluted EPS¹

8/31/21 \$2.88

8/31/20 \$2.88

18.3%

**Free Cash
Flow**

8/31/21 \$171,157

8/31/20 \$144,695

* Please see Appendix for a reconciliation of non-GAAP metrics to GAAP metrics

Key Operational Metrics

>95%

ASV RETENTION

ASV retained from clients over the last twelve months

= No change versus 2020 | Q4

91%

CLIENT RETENTION

Percentage of clients retained over the last twelve months

▲ 100bps higher versus 2020 | Q4

160,932

USER COUNT

Number of individuals accessing FactSet's solutions

▲ 14% change since 2020 | Q4

6,453

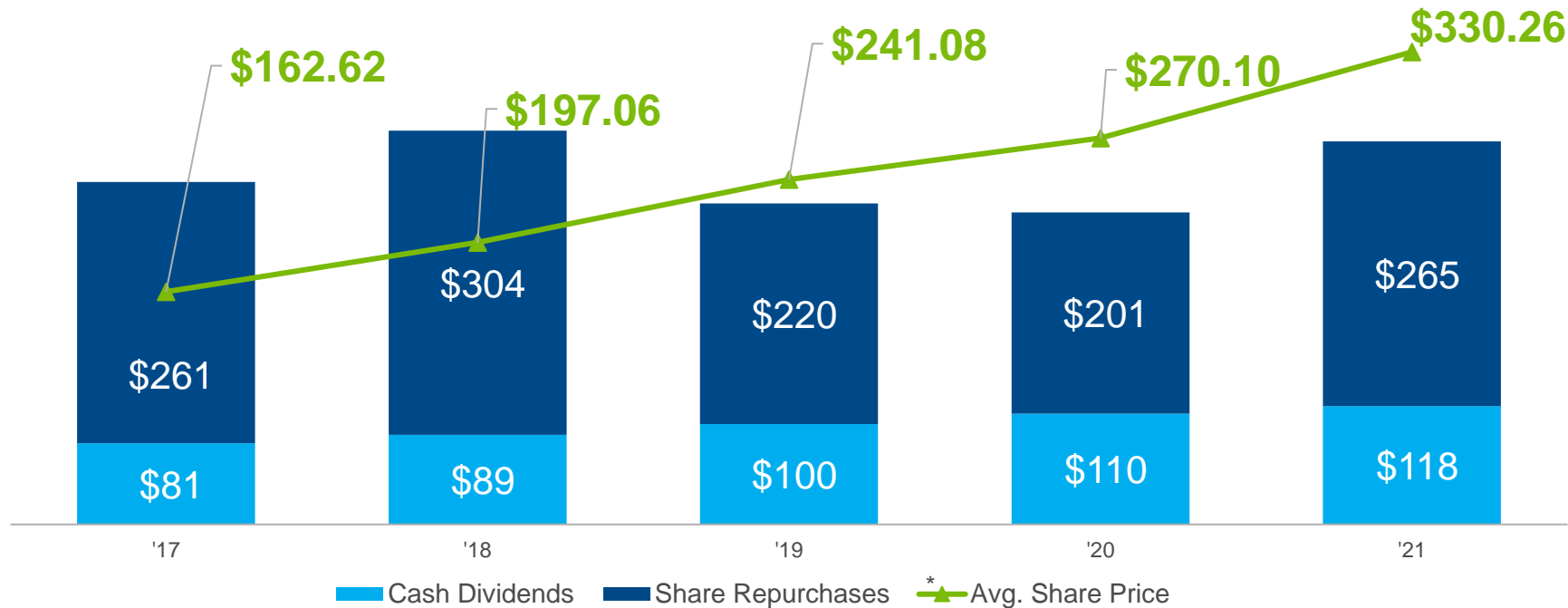
CLIENT COUNT

Companies subscribing to FactSet services with an ASV greater than \$10,000

▲ 10% change since 2020 | Q4

Returning Capital to Shareholders

(in millions except share price)



Business Outlook – Fiscal 2022¹

**Organic ASV + Professional Services
Growth²**

\$105 - \$135 million

GAAP Revenues

\$1,705 - \$1,720 million

GAAP Operating Margin

31% - 32%

Adjusted Operating Margin³

32.5% - 33.5%

Effective Tax Rate

14.5% - 15.5%

GAAP Diluted EPS

\$11.60 - \$11.90

Adjusted Diluted EPS³

\$12.00 - \$12.30

The Business Outlook - Fiscal 2022 shown here is a forward-looking statement. Given the risk factors, uncertainties and assumptions, particularly the ongoing uncertainty surrounding the duration, magnitude and impact of the novel coronavirus pandemic, FactSet's actual future results may differ materially from these expectations. Investors should review the Company's cautionary statements and risk factors referred to in this presentation.

¹ FactSet's expectations as of September 28, 2021. Actual results may differ materially from expectations above.

² Growth over fiscal 2021.

³ Please see Appendix for a reconciliation of these non-GAAP metrics to GAAP metrics.

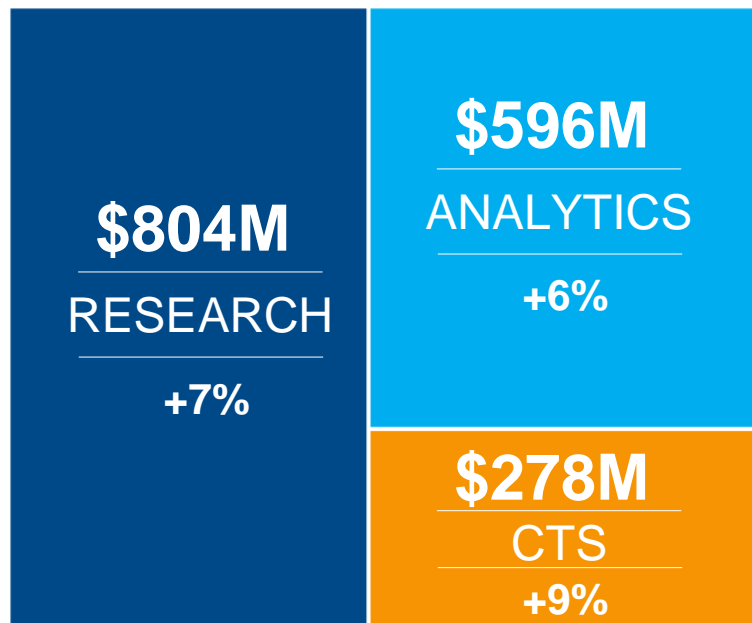
SEE THE ADVANTAGE › **FACTSET**

Questions & Answers

SEE THE ADVANTAGE › **FACTSET**

Appendix

FY 2021 ASV + Professional Services Growth Rates* –New Methodology



\$1.68B
Organic ASV + Professional Services
+7%

Beginning with FY 2022, FactSet is changing its workflow solutions into 3 businesses as shown here.

- The desktop portion of the Wealth business will be combined with Research.
- Wealth digital solutions will be combined with CTS.

* LTM Organic ASV Growth Rate is based on last twelve months as of August 31, 2021

Non-GAAP Reconciliations

Organic Revenues

(in thousands)

FOR THE THREE MONTHS ENDED AUGUST 31

FOR THE YEAR ENDED AUGUST 31

(Unaudited)	2021	2020	% Change	2021	2020	% Change
GAAP Revenues	\$ 411,894	\$ 383,590	7.4%	\$ 1,591,445	\$ 1,494,111	6.5%
Deferred revenue fair value adjustment	117	619		539	4,192	
Adjusted revenues	412,011	384,209	7.2%	1,591,984	1,498,303	6.3%
Acquired revenues	(1,539)	–		(4,119)	–	
Currency impact	(339)	–		4,472	–	
Organic Revenues	\$ 410,133	\$ 384,209	6.7%	\$ 1,592,337	\$ 1,498,303	6.3%

Non-GAAP Reconciliations

Adjusted Operating Income, Margin, Net Income

(in thousands, except per share data)

FOR THE THREE MONTHS ENDED AUGUST 31

FOR THE YEAR ENDED AUGUST 31

(Unaudited)	2021	2020	% Change	2021	2020	% Change
GAAP Operating Income	\$ 119,176	\$ 98,577	20.9%	\$ 474,041	\$ 439,660	7.8%
Deferred revenue fair value adjustment	117	619		539	4,192	
Intangible asset amortization	5,902	6,867		23,257	22,269	
Impairment of investment	–	16,500		–	16,500	
Transformation costs	2,136	5,237		14,113	16,478	
Restructuring/ severance	3,053	(1,168)		5,028	51	
Real estate charges	–	747		716	4,253	
Adjusted Operating Income	\$ 130,384	\$ 127,379	2.4%	\$ 517,694	\$ 503,403	2.8%
Operating Margin	28.9%	25.7%		29.8%	29.4%	
Adjusted Operating Margin	31.6%	33.2%		32.5%	33.6%	
GAAP Net Income	\$ 101,062	\$ 89,079	13.5%	399,590	372,938	7.1%
Deferred revenue fair value adjustment	100	469		456	3,385	
Intangible asset amortization	5,048	5,205		19,672	27,773	
Impairment of investment	–	16,500		–	16,500	
Transformation costs	1,826	3,970		11,938	13,171	
Restructuring/ severance	2,611	(885)		4,253	41	
Real estate charges	–	566		606	3,399	
Income tax items	227	(2,870)		(4,466)	(7,085)	
Adjusted Net Income	\$ 110,874	\$ 112,034	(1.0)%	\$ 432,049	\$ 420,122	7.1%

Non-GAAP Reconciliations

Adjusted Diluted EPS

(in thousands, except per share data)

FOR THE THREE MONTHS ENDED AUGUST 31

FOR THE YEAR ENDED AUGUST 31

(Unaudited)	2021	2020	% Change	2021	2020	% Change
GAAP Diluted Earnings per Common Share	\$ 2.63	\$ 2.29	14.8%	\$ 10.36	\$ 9.65	7.4%
Deferred revenue fair value adjustment	0.00	0.01		0.01	0.10	
Intangible asset amortization	0.13	0.13		0.51	0.46	
Impairment of investment	–	0.42		–	0.42	
Transformation costs	0.04	0.10		0.31	0.34	
Restructuring/ severance	0.07	(0.02)		0.11	–	
Real estate charges	–	0.01		0.02	0.08	
Other investment income	–	0.00		–	–	
Income tax items	0.01	(0.06)		(0.12)	(0.18)	
Adjusted Diluted earnings per Common Share	\$ 2.88	\$ 2.88	0.00%	\$ 11.20	\$ 10.87	3.0%
Weighted Average Common Shares (Diluted)	38,476	38,940		38,570	38,646	

Non-GAAP Reconciliations

Free Cash Flow

(in thousands)

(Unaudited)	FOR THE THREE MONTHS ENDED AUGUST 31			FOR THE YEAR ENDED AUGUST 31		
	2021	2020	% Change	2021	2020	% Change
Net Cash Provided by Operating Activities	\$ 184,978	\$ 159,427		\$ 555,226	\$ 505,840	
Capital Expenditures	\$ (13,821)	(14,732)		(61,325)	(77,642)	
Free Cash Flow	\$ 171,157	\$ 144,695	18.3%	\$ 493,901	\$ 428,198	15.3%

Non-GAAP Reconciliations

Business Outlook Operating Margin, Net Income and Diluted EPS

(in millions, except per share data)

FISCAL 2022 (FULL YEAR)	Low End of Range	High End of Range
GAAP Revenue	\$1,705	\$1,720
GAAP operating income	\$ 528	\$550
<i>GAAP operating margin</i>	31.0%	32.0%
Intangible asset amortization	18	18
Transformation costs	8	8
Adjusted operating income	\$ 554	\$ 576
<i>Adjusted Operating Margin</i>	32.5%	33.5%
GAAP Net Income	\$ 446	\$ 457
Intangible asset amortization	16	16
Transformation costs	6	6
Discrete tax items	(7)	(7)
Adjusted Net Income	\$ 461	\$ 473
GAAP Diluted Earnings per Common Share	\$ 11.60	\$ 11.90
Intangible asset amortization	0.41	0.41
Transformation costs	0.16	0.16
Discrete tax items	(0.17)	(0.17)
Adjusted Diluted earnings per Common Share	\$ 12.00	\$ 12.30



SEE THE ADVANTAGE > **FACTSET**

Thank you.